



General Assembly

Amendment

January Session, 2005

LCO No. 7651

SB0012207651SD0

Offered by:

SEN. COLAPIETRO, 31st Dist.

REP. STONE, 9th Dist.

To: Senate Bill No. 122

File No. 69

Cal. No. 129

"AN ACT CONCERNING THE SHIPMENT OF WINE TO STATE RESIDENTS."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Subsection (e) of section 30-16 of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective from*
5 *passage*):

6 (e) (1) A manufacturer permit for a farm winery shall be in all
7 respects the same as a manufacturer permit, except that the scope of
8 operations of the holder shall be limited to wine and brandies distilled
9 from grape products or other fruit products, including grappa and
10 eau-de-vie. As used in this section, "farm winery" means any place or
11 premises, located on a farm in the state in which wine is manufactured
12 and sold.

13 (2) Such permit shall authorize (A) the sale in bulk by the holder

14 thereof from the premises where the products are manufactured
15 pursuant to such permit; [and shall authorize the holder thereof to sell
16 from such farm winery premises] (B) the sale and shipment by the
17 holder thereof to a retailer of wine manufactured by the farm winery
18 permittee in the original sealed containers of not more than fifteen
19 gallons per container; [and to sell or deliver such] (C) the sale and
20 shipment by the holder thereof of wine [or brandy] manufactured by
21 the farm winery permittee to persons outside the state; [. Such permit
22 shall also authorize: (1) The] (D) the offering and tasting of free
23 samples of such wine or brandy to visitors and prospective retail
24 customers for consumption on the premises of the farm winery
25 permittee; [(2) the selling] (E) the sale at retail from the premises of
26 sealed bottles or other sealed containers of such wine or brandy for
27 consumption off the premises; [and (3) the selling] (F) the sale at retail
28 from the premises of wine or brandy by the glass and bottle to visitors
29 on the premises of the farm winery permittee for consumption on the
30 premises; [, provided] and (G) subject to the provisions of subdivision
31 (3) of this subsection, the sale and delivery or shipment of wine
32 manufactured by the permittee directly to a consumer in this state.
33 Notwithstanding the provisions of subparagraphs (D), (E) and (F) of
34 this subdivision, a town may, by ordinance or zoning regulation,
35 prohibit any such offering, tasting or selling at retail at premises within
36 such town for which a manufacturer permit for farm winery has been
37 issued.

38 (3) A permittee, when selling and shipping wine directly to a
39 consumer in this state, shall: (A) Ensure that the shipping labels on all
40 containers of wine shipped directly to a consumer in this state
41 conspicuously state the following: "CONTAINS ALCOHOL –
42 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR
43 DELIVERY"; (B) obtain the signature of a person age twenty-one or
44 older at the address prior to delivery, after requiring the signer to
45 demonstrate that he or she is age twenty-one or older by providing a
46 valid motor vehicle operator's license or a valid identity card described
47 in section 1-1h; (C) not ship more than five gallons of wine in any

48 sixty-day period to any person in this state; (D) pay, to the Department
49 of Revenue Services, all sales taxes and alcoholic beverage taxes due
50 under chapters 219 and 220 on sales of wine to consumers in this state,
51 and file, with said department, all sales tax returns and alcoholic
52 beverage tax returns relating to such sales; (E) report to the
53 Department of Consumer Protection a separate and complete record of
54 all sales and shipments to consumers in the state, on a ledger sheet or
55 similar form which readily presents a chronological account of such
56 permittee's dealings with each such consumer; (F) not ship to any
57 address in the state where the sale of alcoholic liquor is prohibited by
58 local option pursuant to section 30-9; and (G) hold an in-state
59 transporter's permit pursuant to section 30-19f, as amended by this act,
60 or make any such shipment through the use of a person who holds
61 such an in-state transporter's permit.

62 (4) No licensed farm winery may sell any such wine or brandy not
63 manufactured by such winery, except a licensed farm winery may sell
64 from the premises wine manufactured by another farm winery located
65 in this state.

66 (5) The farm winery permittee shall produce within the state an
67 average crop of fruit equal to not less than twenty-five per cent of the
68 fruit used in the manufacture of the farm winery permittee's wine. An
69 average crop shall be defined each year as the average yield of the
70 farm winery permittee's two largest annual crops out of the preceding
71 five years, except that during the first seven years from the date of
72 issuance of a farm winery permit, an average crop shall be defined as
73 three tons of grapes for each acre of vineyard farmed by the farm
74 winery permittee.

75 (6) A holder of a manufacturer permit for a farm winery, when
76 advertising or offering wine for direct shipment to a consumer in this
77 state via the Internet or any other on-line computer network, shall
78 clearly and conspicuously state such liquor permit number in its
79 advertising.

80 (7) The annual fee for a manufacturer permit for a farm winery shall
81 be two hundred forty dollars.

82 Sec. 2. Section 30-18 of the general statutes is repealed and the
83 following is substituted in lieu thereof (*Effective from passage*):

84 (a) An out-of-state shipper's permit for alcoholic liquor other than
85 beer shall allow the sale of such alcoholic liquor to manufacturer and
86 wholesaler permittees in this state as permitted by law and the sale
87 and shipment by the holder thereof to a retailer of wine manufactured
88 by such permittee in the original sealed containers of not more than
89 fifteen gallons per container. The permit premises of an out-of-state
90 shipper's permit for alcoholic liquor may be located within this state or
91 outside this state. The annual fee for an out-of-state shipper's permit
92 for alcoholic liquor other than beer shall be forty-five dollars for a
93 Connecticut manufacturer or wholesaler holding such a permit and
94 shall be one thousand dollars for any other person holding such a
95 permit.

96 (b) Subject to the provisions of this subsection, an out-of-state
97 shipper's permit for alcoholic liquor other than beer shall allow the sale
98 and delivery or shipment of wine manufactured by the permittee
99 directly to a consumer in this state. Such permittee, when selling and
100 shipping wine directly to a consumer in this state, shall: (1) Ensure that
101 the shipping labels on all containers of wine shipped directly to a
102 consumer in this state conspicuously state the following: "CONTAINS
103 ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER
104 REQUIRED FOR DELIVERY"; (2) obtain the signature of a person age
105 twenty-one or older at the address prior to delivery, after requiring the
106 signer to demonstrate that he or she is age twenty-one or older by
107 providing a valid motor vehicle operator's license or a valid identity
108 card described in section 1-1h; (3) not ship more than five gallons of
109 wine in any sixty-day period to any person in this state and not ship
110 any wine until such permittee is registered, with respect to the
111 permittee's sales of wine to consumers in this state, for purposes of the
112 taxes imposed under chapters 219 and 220, with the Department of

113 Revenue Services; (4) pay, to the Department of Revenue Services, all
114 sales taxes and alcoholic beverage taxes due under chapters 219 and
115 220 on sales of wine to consumers in this state, and file, with said
116 department, all sales tax returns and alcoholic beverage tax returns
117 relating to such sales, with the amount of such taxes to be calculated as
118 if the sale were in this state at the location where delivery is made; (5)
119 report to the Department of Consumer Protection a separate and
120 complete record of all sales and shipments to consumers in the state,
121 on a ledger sheet or similar form which readily presents a
122 chronological account of such permittee's dealings with each such
123 consumer; (6) permit the Department of Consumer Protection and
124 Department of Revenue Services, separately or jointly, to perform an
125 audit of the permittee's records upon request; (7) not ship to any
126 address in the state where the sale of alcoholic liquor is prohibited by
127 local option pursuant to section 30-9; (8) hold an in-state transporter's
128 permit pursuant to section 30-19f, as amended by this act, or make any
129 such shipment through the use of a person who holds such an in-state
130 transporter's permit; and (9) execute a written consent to the
131 jurisdiction of this state, its agencies and instrumentalities and the
132 courts of this state concerning the enforcement of this section and any
133 related laws, rules, or regulations, including, but not limited to, tax
134 laws, rules or regulations.

135 (c) The Department of Consumer Protection, in consultation with
136 the Department of Revenue Services, may adopt regulations, in
137 accordance with the provisions of chapter 54, to assure compliance
138 with the provisions of subsection (b) of this section.

139 (d) A holder of an out-of-state shipper's permit for alcoholic liquor
140 other than beer, when advertising or offering wine for direct shipment
141 to a consumer in this state via the Internet or any other on-line
142 computer network, shall clearly and conspicuously state such liquor
143 permit number in its advertising.

144 (e) (1) For purposes of chapter 219, the holder of an out-of-state
145 shipper's permit for alcoholic liquor other than beer, when shipping

146 wine directly to a consumer in this state, shall be deemed to be a
147 retailer engaged in business in this state, as defined in chapter 219, and
148 shall be required to be issued a seller's permit pursuant to chapter 219.

149 (2) For purposes of chapter 220, the holder of an out-of-state
150 shipper's permit for alcoholic liquor other than beer, when shipping
151 wine directly to a consumer in this state, shall be deemed to be a
152 distributor as defined in chapter 220 and shall be required to be
153 licensed pursuant to chapter 220.

154 (f) As used in this section, "out-of-state" means any state other than
155 Connecticut, any territory or possession of the United States, the
156 District of Columbia or the Commonwealth of Puerto Rico, but does
157 not include any foreign country.

158 Sec. 3. Section 30-18a of the general statutes is repealed and the
159 following is substituted in lieu thereof (*Effective from passage*):

160 (a) An out-of-state [small] winery shipper's permit for wine shall
161 allow the sale of wine to manufacturer and wholesaler permittees in
162 this state as permitted by law and the sale and shipment by the holder
163 thereof to a retailer of wine manufactured by such permittee in the
164 original sealed containers of not more than fifteen gallons per
165 container.

166 (b) Subject to the provisions of this subsection, an out-of-state
167 winery shipper's permit for wine shall allow the sale and delivery or
168 shipment of wine manufactured by the permittee directly to a
169 consumer in this state. Such permittee, when selling and shipping
170 wine directly to a consumer in this state, shall: (1) Ensure that the
171 shipping labels on all containers of wine shipped directly to a
172 consumer in this state conspicuously state the following: "CONTAINS
173 ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER
174 REQUIRED FOR DELIVERY"; (2) obtain the signature of a person age
175 twenty-one or older at the address prior to delivery, after requiring the
176 signer to demonstrate that he or she is age twenty-one or older by
177 providing a valid motor vehicle operator's license or a valid identity

178 card described in section 1-1h; (3) not ship more than five gallons of
179 wine in any sixty-day period to any person in this state and not ship
180 any wine until such permittee is registered, with respect to the
181 permittee's sales of wine to consumers in this state, for purposes of the
182 taxes imposed under chapters 219 and 220, with the Department of
183 Revenue Services; (4) pay, to the Department of Revenue Services, all
184 sales taxes and alcoholic beverage taxes due under chapters 219 and
185 220 on sales of wine to consumers in this state, and file, with said
186 department, all sales tax returns and alcoholic beverage tax returns
187 relating to such sales, with the amount of such taxes to be calculated as
188 if the sale were in this state at the location where delivery is made; (5)
189 report to the Department of Consumer Protection a separate and
190 complete record of all sales and shipments to consumers in the state,
191 on a ledger sheet or similar form which readily presents a
192 chronological account of such permittee's dealings with each such
193 consumer; (6) permit the Department of Consumer Protection and
194 Department of Revenue Services, separately or jointly, to perform an
195 audit of the permittee's records upon request; (7) not ship to any
196 address in the state where the sale of alcoholic liquor is prohibited by
197 local option pursuant to section 30-9; (8) hold an in-state transporter's
198 permit pursuant to section 30-19f, as amended by this act, or make any
199 such shipment through the use of a person who holds such an in-state
200 transporter's permit; and (9) execute a written consent to the
201 jurisdiction of this state, its agencies and instrumentalities and the
202 courts of this state concerning the enforcement of this section and any
203 related laws, rules, or regulations, including tax laws, rules or
204 regulations.

205 (c) The Department of Consumer Protection, in consultation with
206 the Department of Revenue Services, may adopt regulations in
207 accordance with the provisions of chapter 54 to assure compliance
208 with the provisions of subsection (b) of this section.

209 (d) A holder of an out-of-state winery shipper's permit for wine,
210 when advertising or offering wine for direct shipment to a consumer in
211 this state via the Internet or any other on-line computer network, shall

212 clearly and conspicuously state such liquor permit number in its
213 advertising.

214 (e) (1) For purposes of chapter 219, the holder of an out-of-state
215 winery shipper's permit for wine, when shipping wine directly to a
216 consumer in this state, shall be deemed to be a retailer engaged in
217 business in this state as defined in chapter 219 and shall be required to
218 be issued a seller's permit pursuant to chapter 219.

219 (2) For purposes of chapter 220, the holder of an out-of-state winery
220 shipper's permit for wine, when shipping wine directly to a consumer
221 in this state, shall be deemed to be a distributor as defined in chapter
222 220 and shall be required to be licensed pursuant to chapter 220.

223 (f) Any person who applies for [such] an out-of-state winery
224 shipper's permit for wine or for the renewal of such permit shall
225 furnish an affidavit to the Department of Consumer Protection, in such
226 form as may be prescribed by the department, affirming that the out-
227 of-state [small] winery [which] ~~that~~ is the subject of such permit did
228 not produce more than one hundred thousand gallons of wine during
229 the most recently completed calendar year.

230 (g) The annual fee for an out-of-state [small] winery shipper's permit
231 for wine shall be two hundred fifty dollars.

232 (h) As used in this section, "out-of-state" means any state other than
233 Connecticut, any territory or possession of the United States, the
234 District of Columbia or the Commonwealth of Puerto Rico, but does
235 not include any foreign country.

236 Sec. 4. Section 30-19f of the general statutes is repealed and the
237 following is substituted in lieu thereof (*Effective from passage*):

238 (a) An in-state transporter's permit for alcoholic liquor shall allow
239 the commercial transportation of any alcoholic liquor as permitted by
240 law. The annual fee for an in-state transporter's liquor permit shall be
241 one thousand dollars.

242 (b) No person, corporation, trust, partnership, incorporated or
243 unincorporated association, and any other legal entity except: (1) The
244 holder of an out-of-state shipper's permit issued pursuant to section
245 30-18 or 30-19; (2) the holder of a manufacturer's permit issued
246 pursuant to section 30-16 other than the holder of a manufacturer's
247 permit for a farm winery; and (3) the holder of a wholesaler's permit
248 issued pursuant to section 30-17 shall transport any alcoholic
249 beverages imported into this state unless such person holds an in-state
250 transporter's permit and the tax imposed on such alcoholic liquor by
251 section 12-435 has been paid and, if applicable, the tax imposed on the
252 sale of such alcoholic liquor pursuant to chapter 219 has been paid.

253 (c) An in-state transporter, when shipping or delivering wine
254 directly to a consumer in this state, shall: (1) Ensure that the shipping
255 labels on all containers of wine shipped directly to a consumer in this
256 state conspicuously state the following: "CONTAINS ALCOHOL –
257 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR
258 DELIVERY"; (2) obtain the signature of a person age twenty-one or
259 older at the address prior to delivery, after requiring the signer to
260 demonstrate that he or she is age twenty-one or older by providing a
261 valid motor vehicle operator's license or a valid identity card described
262 in section 1-1h; and (3) not ship to any address in the state where the
263 sale of alcoholic liquor is prohibited by local option pursuant to section
264 30-9.

265 [(c)] (d) Any person convicted of violating subsections (a), [and] (b)
266 and (c) of this section shall be fined not more than two thousand
267 dollars for each offense.

268 Sec. 5. Subsection (a) of section 30-48 of the general statutes is
269 repealed and the following is substituted in lieu thereof (*Effective from*
270 *passage*):

271 (a) No backer or permittee of one permit class shall be a backer or
272 permittee of any other permit class except in the case of any class of
273 airport, railroad, airline and boat permits, and except that: (1) A backer

274 of a hotel or restaurant permit may be a backer of both such classes; (2)
275 a holder or backer of a manufacturer permit for a brew pub, a
276 restaurant permit or a cafe permit may be a holder or backer of any
277 other or all of such classes; (3) a holder or backer of a restaurant permit
278 may be a holder or backer of a bowling establishment permit; (4) a
279 backer of a restaurant permit may be a backer of a coliseum permit or a
280 coliseum concession permit, or both, when such restaurant is within a
281 coliseum; (5) a backer of a hotel permit may be a backer of a coliseum
282 permit or a coliseum concession permit, or both; (6) a backer of a
283 coliseum permit may be a backer of a coliseum concession permit; (7) a
284 backer of a coliseum concession permit may be a backer of a coliseum
285 permit; (8) a backer of a grocery store beer permit may be a backer of a
286 package store permit if such was the case on or before May 1, 1996; (9)
287 a backer of a university permit may be a backer of a nonprofit theater
288 permit; (10) subject to the discretion of the department, a backer of a
289 permit provided for in section 30-33b, may be a backer of any other
290 retail on-premise consumption permit, including those permits
291 provided for in section 30-33b; (11) a backer of a nonprofit theater
292 permit may be a holder or backer of a hotel permit; (12) a holder or
293 backer of a restaurant permit may be a holder or backer of a special
294 outing facility permit; [and] (13) a backer of a concession permit may
295 be a backer of a coliseum permit or a coliseum concession permit, or
296 both; (14) a holder of an out-of-state winery shipper's permit for wine
297 may be a holder of an in-state transporter's permit; (15) a holder of an
298 out-of-state shipper's permit for alcoholic liquor other than beer may
299 be a holder of an in-state transporter's permit; and (16) a holder of a
300 manufacturer's permit for a farm winery may be a holder of an in-state
301 transporter's permit. Any person may be a permittee of more than one
302 permit. A person may be a permittee under a permit provided for in
303 section 30-33b and a backer of any other retail on-premise
304 consumption permit, including those permits provided for in section
305 30-33b. The operator of a racing or jai alai exhibition with pari-mutuel
306 betting licensed by the Gaming Policy Board may be a backer of any
307 permit provided for in section 30-33b. No holder of a manufacturer
308 permit for a brew pub and no spouse or child of such holder may be a

309 holder or backer of more than three restaurant permits or cafe permits.

310 Sec. 6. Subsection (b) of section 12-436 of the general statutes is
311 repealed and the following is substituted in lieu thereof (*Effective from*
312 *passage*):

313 (b) (1) No person, except a licensed distributor and railroad or
314 airline companies so far as they conduct such beverage business in cars
315 or passenger trains or airplanes, shall sell any alcoholic beverages in
316 this state or possess such beverages with intent to sell, unless such
317 beverages have previously been subject to the tax imposed by this
318 chapter.

319 (2) [No] (A) Except as otherwise provided in this subdivision, and
320 sections 30-18 and 30-18a, as amended by this act, no person shall ship,
321 transport or import alcoholic beverages into this state unless such
322 alcoholic beverages are delivered to a licensed distributor or to an
323 internal revenue or United States customs bonded warehouse under
324 regulations prescribed by the Commissioner of Revenue Services, or
325 are transported in bonded trucks to vessels in Connecticut ports for
326 export.]; provided (A) any]

327 (B) (i) Any individual may import alcoholic beverages purchased by
328 such individual within the territorial limits of the United States to an
329 amount not to exceed five gallons in any sixty-day period for such
330 individual's own consumption, [(B)] (ii) any individual may import
331 alcoholic beverages, whether or not purchased by such individual,
332 from outside the territorial limits of the United States to an amount not
333 to exceed five gallons in any three-hundred-sixty-five-day period for
334 such individual's own consumption, and [(C)] (iii) any individual who
335 has resided outside the United States for a period of six months or
336 more may, on one occasion and in conjunction with the return of such
337 individual's personal and household goods and effects upon the
338 termination of such foreign residency, import wine to an amount not
339 to exceed one hundred gallons, of which not more than twenty gallons
340 shall be of the same brand and spirits not to exceed ten gallons of

341 which not more than two gallons shall be of the same brand, after
 342 making application in each such case to the Department of Revenue
 343 Services and presenting with the application a tax return prescribed by
 344 the Commissioner of Revenue Services and reporting the taxes under
 345 this chapter and under chapter 219 for which the applicant is liable.
 346 Payment of such taxes shall accompany such application and tax
 347 return. A copy of the importation certificate issued by the Department
 348 of Revenue Services shall accompany each such shipment.

349 (3) The provisions of this section shall not apply to alcoholic
 350 beverages which are actually brought into the state by any individual
 351 in quantities of four gallons or less."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	30-16(e)
Sec. 2	<i>from passage</i>	30-18
Sec. 3	<i>from passage</i>	30-18a
Sec. 4	<i>from passage</i>	30-19f
Sec. 5	<i>from passage</i>	30-48(a)
Sec. 6	<i>from passage</i>	12-436(b)